Distr.
GENERAL

IDB.13/27
12 October 1994

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Industrial Development Board

Thirteenth session
Vienna, 7-11 November 1994
Item 3 of the provisional agenda

UNIDO POLICY FRAMEWORK - ORGANIZATIONAL AND STAFF STRUCTURE

Progress report by the Director-General

Summary

Reports on the further progress made in the implementation of General Conference resolutions GC.5/Res.18 and GC.5/Res.20 as well as on recruitment for senior management and supervisory staff levels of the Secretariat, in compliance with Board decision IDB.12/Dec.9, paragraph (h).

CONTENTS

	Paragraphs	Page
Introduction	1 - 2	1
Chapter		
I. ORGANIZATIONAL AND PRIORITY ISSUES	3 - 44	2
A. Management measures	3 - 8	2
B. Prioritization	9 - 22	2
C. Recent progress in priority areas	23 - 44	3
II. OTHER ACTIVITIES	45 - 51	5
A. UNIDO field representation	45	5
B. Involvement in major United Nations conferences	46 - 50	5
C. Post-emergency assistance	51	6
III. PERSONNEL POLICY	52 - 65	6
A. Recruitment and promotion	55 - 58	6
B. Staff training	59 - 65	7
IV. ACTION REQUIRED OF THE BOARD	66	7

V.94 26395 7948E

Distr.: 14 October 1994

Introduction

1. At the twelfth session of the Industrial Development Board, the Director-General submitted a progress report (IDB.12/5) complemented by a conference room paper (IDB.12/CRP.4) on action taken on the organizational and staff structure to implement General Conference resolution GC.5/Res.18 on the future policy framework of UNIDO. The main emphasis of that report was on the fine-tuning of the new organizational structure as well as the introduction of new managerial procedures and mechanisms. The present report, prepared in response to decision IDB.12/Dec.9, summarizes further progress made in implementing General Conference resolution GC.5/Res.18 and the mandates of the Yaoundé Declaration (resolution GC.5/Res.20).

2. By the time the twelfth session of the Board was held, the final organizational structure had emerged and key new guidelines, such as those on the management of UNIDO services, had been worked out. The Organization was thus in a position to concentrate on the refinement and further elaboration of its substantive priorities as well as on related programme development work, including the detailed planning and preparation of industry sector programme review missions to selected countries. While these activities are described in greater detail in chapter I of the present document, chapter III provides an update on progress made in the recruitment efforts of the Organization.

I. ORGANIZATIONAL AND PRIORITY ISSUES

A. Management measures

3. Following the establishment of the new organizational structure in January 1994 and some required subsequent fine-tuning, a series of new management and coordination mechanisms were elaborated and introduced. These have become operational. Thus, guidelines and procedures for the initiation and management of UNIDO services are being applied. The entire process is being monitored and it will be reviewed and possibly refined and simplified after a trial period of perhaps one year, taking into account the experience gained by the various organizational units concerned.

4. Efforts are being made, following the report of an external consultant, to direct the efforts of the Organization towards a budget process based on programmes and cost centres. This is a process that will require at least two full budget exercises but the first steps will be taken by the end of 1994. Existing systems to promote team building and facilitate the recording of contributions of individual team members to the work of the team will be explored as of November 1994 with a view to identifying parameters for measuring quantitative and qualitative dimensions in the contribution of each staff member. Subject to the recommendations provided and subsequent follow-up, results could be expected by mid-1995.

5. Particular attention has been given to programming activities to ensure close linkage between the changing requirements, demand pattern and priorities of developing countries on the one hand, and the prioritization of UNIDO services on the other. Country programming briefs have been elaborated as an initial, internal information basis for programming and related activities. These briefs cover essential data and information of the economy and industrial sector of individual developing countries. Such country programming briefs have been prepared for a number of countries under the new format (UNIDO/DG.B/177 annex V). Existing briefs for 36 countries are presently being updated and revised.

6. The continued series of Industrial Development Reviews also aims at strengthening the country focus of UNIDO activities, providing a service not only to UNIDO officers but also to other international agencies concerned with industrial policy, planning, project development and implementation. The reviews are issued as sales publications, published jointly by UNIDO and the Economist Intelligence Unit (EIU), or non-sales publications. Both are intended to serve as a ready source of industry-specific information and analytical documents that highlight the emerging industrial prospects across disaggregated segments of manufacturing. In 1994 the following publications were issued in cooperation with EIU: Egypt, India and Mexico (forthcoming, November 1994). Other 1994 publications in the Review series include Lao People's Democratic Republic and Namibia. A number of sales Reviews have also been initiated for issuance in 1995. These will cover Argentina, the Islamic Republic of Iran and a regional review of the Central Asian Republics.

7. In the context of intensifying its programme development activities, UNIDO is currently involved in the preparation of Country Strategy Notes under the overall supervision of the United Nations Development Programme (UNDP) Resident Coordinators. Work with UNDP and other organizations of the United Nations system is ongoing in a large number of African countries as well as in countries in the other developing regions. The preparation is also being undertaken of country support strategies that would establish a coherent framework for focusing UNIDO services in a particular country, based on the country's industrial development strategy and policies and the development objectives and core areas of expertise of UNIDO.

8. Programming missions will be launched to selected developing countries in various regions to review existing cooperation programmes and develop new initiatives and priority areas for UNIDO programmes in those countries. The missions will also initiate dialogues with a broader range of partners of UNIDO in industrial development, for example, ministries of environment, ministries of planning and finance, the private sector, industry-related non-governmental organizations and associations. These programming missions - under the overall guidance of the Country Strategy and Programme Development Division and involving the technical expertise of implementing divisions as appropriate - will thus strengthen dialogue with Governments, industry-related institutions and the industrial community at large in the countries concerned. They will also synchronize the envisaged UNIDO services with those of other bilateral and multilateral development assistance organizations. The findings of these missions will, inter alia, serve as inputs for the preparation of UNIDO country support strategies in coordination with the United Nations Development Programme and other United Nations organizations. During the latter half of 1994 and the first half of 1995 missions will be undertaken to at least 14 African countries, three countries in Asia and the Pacific, three Arab countries and four countries in Latin America and the Caribbean.

B. Prioritization

9. Recent direct contacts by the Director-General and senior UNIDO staff with policy-makers and leading representatives of private industry in both developing and developed countries underline the role of industry as the engine of growth and thus as the main basis for socio-economic development. As is also clearly stressed in the current system-wide debate on development, the economic growth process needs to be conceived and pursued so as to generate optimal, sustainable improvement of human well-being. Industry needs to be seen as the main vehicle in this context. It has an increasing role in contributing to socio-economic development by focusing on the human dimension and social issues, including employment. Enabling industrial policies and strategies in support of market-led economic development are being given growing attention in many countries in the aftermath of macro-economic adjustment policies and programmes.

10. Through its initiated reform process, UNIDO has responded to the necessity of providing support to these endeavours by establishing five development objectives and corresponding clusters of services and activities.

11. In response to the need to build up national capacities for industrial and technological growth

and competitiveness, programmes are being designed covering, inter alia, advisory services for an enabling environment for industrial development; sector-specific and advisory services are provided on information, sourcing, assessment and transfer of technologies as well as quality control, standardization and metrology and enterprise restructuring.

12. The objective of development of human resources for industry, entails, inter alia, services pertaining to the analyses of changing skill requirements; strengthening institutional capabilities; and direct training and skill upgrading activities.

13. The objective of equitable development through industrial development is focusing on reduction of poverty, through policies; rural industrial development; promotion of SMEs (including through entrepreneurship development); stimulation of self-organization and sub-contracting; support to agro-industry development; and regional development programmes and policies.

14. The objective of environmentally sustainable industrial development is focusing on cleaner production concepts; on programmes related to the Montreal Protocol on substances that deplete the ozone layer; and on energy-efficient industrial processes.

15. The objective of international cooperation in industrial investment and technology promotes investment in industry and the transfer of technology and supports twinning arrangements between industry-related institutions. A particular emphasis is on the economic and technical cooperation among developing countries.

16. Through these clusters of UNIDO services, the Organization is taking into consideration the emerging new concepts and patterns of industrial development and thereby supporting socio-economic development in developing countries. The types of services the Organization is primarily using for these purposes cover industrial policy advice, technical services, and contact-creating activities with the private sector, in particular small and medium enterprises.

17. The main comparative advantages of UNIDO in addressing the key issues of development are perceived as follows:

(a) Three different levels are actively supported: government, institutions and enterprises, thereby cross-fertilizing the experiences acquired at those three levels. No other United Nations agency is versatile enough or has the experience to do so;

(b) UNIDO has a strong sectoral orientation with insight in engineering/metallurgy, agro-industries and chemical industries. This gives UNIDO the substantive basis to address the cross-sectoral issues such as human resource development, investment promotion, environmental protection, industrial restructuring and quality and standardization, through an integrated and multidisciplinary approach;

(c) The services rendered are of an authoritative and global nature, such as the provision of industrial and technological information and industrial statistics, and forecasting, which constitute an essential basis for industrial cooperation.

18. In the endeavours outlined above, UNIDO also fully recognizes the need to continuously monitor both the changing demand pattern and the supply capacity for services to be delivered and to ensure that the focusing and prioritization of programmes and activities is an ongoing process. To this end, a series of priority theme papers is being prepared and a description of UNIDO priority services has been finalized and will soon be circulated to Member States. The formulation of these priority themes has been carried out in a participatory process by all staff concerned, across divisional boundaries. The themes were also presented and discussed at internal strategy seminars for UNIDO staff.

19. The priority theme papers are primarily of an indicative nature since the form and content may vary considerably with different country conditions and situations. They are intended to highlight various issues and aspects of industrial and technological development that are both of special interest to most developing countries and constitute fields in which UNIDO has special capability and expertise. In elaborating the papers for each priority theme, further selectivity and focusing is applied in terms of singling out those specific dimensions that UNIDO will primarily address.

20. The UNIDO Secretariat has adopted various measures to avoid spreading work too thinly. In fact the actual range of disciplines and types of services is limited and more focused than before. Most technical cooperation and other activities rely on different combinations of these generic substantive services. It is through team-building approaches across organizational units that UNIDO can form critical mass and display its key comparative advantages.

21. A special effort has been launched to define clusters of interrelated priority programmes in terms of combining regional, subsectoral and thematic approaches. This is at present being applied in a first stage to Africa as a priority region, agro-based industries as subsectoral focus and small and medium enterprises as a cross-sectoral theme. Interdivisional, internal working groups were assigned to the elaboration of each of the programmes.

22. The priority theme papers are complemented by regional strategy papers that are being prepared for each developing region. The UNIDO Country Directors have been increasingly involved in the formulation of the regional strategy papers. In these papers, special emphasis is put on UNIDO support to regional and subregional cooperation endeavours as well as on the collaboration and coordination of UNIDO with relevant regional organizations, including those active in development financing. The Director-General is involved in high-level consultations with regional organizations in all developing regions, including the various regional commissions, with a view to enhancing cooperation.

C. Recent progress in priority areas

23. Progress made in developing and implementing demand-oriented UNIDO services in a number of substantive programme areas is reported upon in greater detail in document IDB.13/12. Three areas are highlighted below that derive their special significance from the establishment of new UNIDO branches as a result of the recent organizational

restructuring. These areas are institutional support and private sector development, small and medium enterprises, and environment and energy.

Institutional support and private sector development programme

24. The programme for institutional support and private sector development is to contribute towards a market-based competitive economic system in which a well-functioning private sector, guided by the principles of efficiency and effectiveness, is the driving force. The objectives of the programme are to create an enabling policy environment for the development of the private industrial sector; to strengthen capabilities for policy formulation and implementation; and to improve overall industrial productivity and competitiveness.

25. To that end, the programme is to first strengthen national capacities for formulating industrial strategies and policies. Secondly, it is directed towards enhancing the productivity and competitiveness of the private sector, including management and development of human, financial, technological, administrative, natural and information resources. Thirdly, it is to support the developing countries' capacities to analyse and exercise choices among technological options and to apply technologies and new management systems in order to achieve quality and competitiveness in industry. Services are thus being rendered at the policy level, at the level of industrial institutions and business organizations, covering also the enterprise level.

26. At the policy level, services include advice on policies conducive to private sector development in general (as undertaken recently in Algeria and Zimbabwe). Advisory services are rendered specifically in support of privatization policies and of privatization schemes. Such services were carried out, for example, in Bolivia and Uzbekistan. Advice is provided also on the evolving role of the Government in transition economies towards private sector development, as in Albania. Finally, policies and measures to establish quality control and standards organizations and metrology networks are provided (as is the case in Kenya, Pakistan and Saudi Arabia).

27. Support to industrial institutions and business organizations is provided to analyse competitiveness and to identify constraints to private sector development, such as through joint projects involving India and Mexico. The establishment and strengthening of private sector institutions (such as chambers of industry and professional associations) is another important task. Such projects are carried out for instance in Central American countries. Support is also provided to the establishment and promotion of industrial estates, technoparks and other industrial centres. Projects of that type are being implemented, for example, in Benin, Brazil and Viet Nam.

28. Industrial services are a particular dimension of institutional capacity. Large-scale integrated technical cooperation programmes at policy, institution and enterprise levels for the development of national capabilities in the field of industry related services (R and D, consulting and engineering, quality control and maintenance) are being developed in Algeria, Morocco and Tunisia (in cooperation with the African Development Bank), as well as in the Libyan Arab Jamahirya and Oman.

29. Special emphasis is given to assistance in quality management and control. Thereby, the impact of total quality management on the performance and competitive strength of enterprises is being monitored as for instance, in several Latin American countries.

Small and medium enterprises

30. The small and medium enterprise (SME) programme focuses on the development of competitive and dynamic SMEs and aims at upgrading their human, technological, managerial and organizational capabilities. It is also conceived with a significant capacity for linkage with and contribution to major global development themes pursued by the United Nations and the international community as a whole, and thus addresses core issues to integrate economic and social development as building blocks towards the overall objective of sustainable development.

31. As explained in document IDB.13/12, chapter IV, the programme will contribute to improving the policy and institutional environment in which SMEs operate rather than to assist enterprises directly. Advisory services will aim at building up capabilities in developing countries and are supported by action-oriented research conducted in cooperation with an international network of experts and institutions. The organization of a high-level advisory group and of a network of international, regional and national SME institutions will enhance not only the think-tank capacity of UNIDO but also the resource capacity for technical cooperation beyond the services of its staff.

32. Better networking with bi- and multilateral donors including development banks in the form of research, joint technical cooperation programmes and projects is being actively pursued with a view to exchanging experience and ensuring complementarity of support activities.

33. In this respect, UNIDO is becoming also more active in the Committee of Donor Agencies for Small Enterprise Development (SED), whose objectives are to exchange information on programmes, share experiences and lessons learned and coordinate efforts in the field of SED. On 29 and 30 September, UNIDO hosted the 1994 meeting of the Committee, which was attended by some 35 representatives of bi- and multilateral donors/agencies active in SED and chaired by a representative of the World Bank. Among the themes discussed were new directions for research and guiding principles for financial intermediaries. A conference being prepared by the Committee to be held in 1995 will focus on innovative approaches to financial and other support services for small business in Central and Eastern Europe and the former Soviet Union. UNIDO is expected to present a number of case studies at this conference.

34. The meeting of the Committee was preceded on 27 and 28 September by a meeting of the Donor Working Group of Financial Sector Development also chaired by a representative of the World Bank and hosted by UNIDO. The key theme was the discussion of a study on critical issues in small and micro-business finance commissioned by Germany, the Netherlands and Switzerland.

35. An important aspect of this programme is that of team formation and cooperation across the boundaries of current organizational structures. This is commensurate with the multidisciplinary nature of assistance packages, ensuring quality and addressing such needs as technology, management and information. The modules can draw from a variety of substantive programmes, consolidated into an integrated approach to ensure interdivisional complementarities.

36. In the four subprogrammes listed in document GC.5/11, areas of concentration are emerging based on demand trends in developing countries on the one hand and core capabilities and comparative advantages of the Organization on the other. The programme thus focuses on two core areas: assisting Governments in SME strategies, policies and programmes and building up efficient SME support institutions and systems. Specialized programme components are being further consolidated, in particular in the integrated rural development programme.

Environment and energy

37. Agenda 21 touches upon many subjects where industry can play a direct role in achieving sustainable development. The environment- and energy-related programmes have been directly linked with those on industrial subsectors, with a view to achieving complementarity between UNIDO cross-industrial environment-related activities and those of a subsector-specific nature in response to Agenda 21 and the concepts of ecologically sustainable industrial development.

38. By increasing its involvement in the United Nations system-wide policy dialogue on the follow-up to the United Nations Conference on Environment and Development (UNCED), the Organization is becoming increasingly engaged in both the policy-level and operational initiatives within the framework of the Commission on Sustainable Development. These activities will have a wide impact on the whole of UNIDO.

39. A detailed account of UNIDO programmes and activities in support of Agenda 21 is contained in document A/49/347 presented to the forty-ninth session of the United Nations General Assembly (copies of the document are available with the Secretariat). The participation of UNIDO in the recent sessions of the Inter-Agency Committee on Sustainable Development have resulted in the recognition of the potential role of UNIDO in several areas, most notably in the fields of education science, the transfer of environmentally sound technology, biotechnology, toxic chemicals, hazardous wastes and freshwater resources.

40. UNIDO is at present fully involved not only in the diffusion of the cleaner technology concept and fundamentals through seminars and workshops, but also is installing cleaner production centres in developing countries where, in addition to the information role on clean technology options and assistance to Governments and industry, demonstration projects will be used for the training of specialists and as real case studies of the possibility of attaining cleaner production.

41. Cleaner production has the potential to address the concerns of both environmental protection and more efficient utilization of resources in industrial production. It requires, however, all technical cooperation organizations to enter into new partnerships with federal and local government policy makers, industry associations and enterprises. One particular concern which needs to be addressed is environment protection in large urban centres with their massive concentrations of population and industrial production.

42. A very important field of work for UNIDO now is the Montreal Protocol. The involvement of the Organization in the formulation and implementation of projects for phase-out of ozone-depleting substances and institution-strengthening projects under the Multilateral Fund for the Implementation of the Montreal Protocol has recently gained momentum and is clearly benefiting from the close cooperation between environment and industrial subsector expertise located in the Investment and Technology Promotion Division.

43. In the context of its energy-related activities, UNIDO seeks to play a more active role in the future in helping developing countries meet their obligations under the Framework Convention on Climate Change. The work of the Organization in supporting the efforts of developing countries to improve industrial energy efficiency, to introduce new and renewable energy resources and to improve the efficiency of fossil fuel-based power generation can be considered as contributing to mitigation strategies that address greenhouse gas emissions.

44. In general, the concept of sustainable industrial development entails the integration of all key dimensions of modern industries' development, i.e. quality of products, clean production technology, safe and healthy workplaces and cost-efficient, competitive production systems.

II. OTHER ACTIVITIES

A. UNIDO field representation

45. In its conclusion 94/7 on the UNIDO Country Director (UCD) programme, the Programme and Budget Committee at its tenth session requested the Director-General to prepare an in-depth analysis of the actual and potential impacts of the UCD programme, taking into account, inter alia, the system-wide efforts to rationalize United Nations field representation and the functions of the programme in the context of the reform process of UNIDO. Document IDB.13/29 submitted under item 5 (e) of the provisional agenda provides details on the activities of the Steering Committee on Field Representation, including stocktaking of field representation of other agencies and the fielding of internationa consultants assigned to undertake country analyses. Based on the results of the country surveys and recommendations of the Steering Committee on relevant issues as well as on in-depth studies and comparisons with other United Nations organizations, revised proposals for the UNIDO field representation programme will be submitted to the Programme and Budget Committee at its eleventh session.

B. Involvement in major United Nations conferences

46. The Director-General and senior staff are actively participating in United Nations system-wide forums and debates concerning international development cooperation and policy

issues relating to the division of labour within the system. It has been reiterated that international cooperation for development is needed today more than ever before and that the United Nations system as a whole must play a key dynamic and coordinating role.

47. Social concerns, above all poverty eradication, must be given highest priority in development programmes. This means increasing the pace of socio-economic transformation of each developing economy through industrial development. Industrial and technological development provides direct and indirect employment and livelihood and brings about, through its multiplier effect, a sustainable development process in underdeveloped and rural areas. Without major emphasis on achieving a sound and diversified industrial and technological base, it would not be practicable to achieve the goals of adequate job creation and poverty eradication in a time of continued population growth in most developing countries.

48. A UNIDO delegation headed by the Director-General attended the International Conference on Population and Development at Cairo, Egypt, in September 1994. In his statement to the Conference, the Director-General drew attention to the relationship between population growth, urbanization and industrial development. He stressed that while education, health and family planning programmes must be given major attention in developing countries, high priority should be accorded to programmes supporting education and broad-based economic and industrial development - with due consideration to an enhanced role of women.

49. The World Summit for Social Development is the next landmark in a series of major United Nations conferences. UNIDO is actively participating in the preparatory process, inter alia, in the framework of the Preparatory Committee, which held its second session in New York in August and September 1994. The Organization has been successful in enhancing the attention given in the draft programme of action to the role of productive economic capacities as a basis for social development. This basic theme will be further pursued and elaborated in both a fact sheet and a position paper on the contribution of industry to achieving social objectives that UNIDO will be submitting to the World Summit for Social Development at Copenhagen, Denmark in March 1995. Further details on UNIDO involvement in the preparatory work for the Summit are given in document IDB.13/30 submitted under item 7 of the provisional agenda. Internally, this work is coordinated by a steering committee under the chairmanship of the Head of the Human Resource Development Branch.

50. Similarly, an internal task force chaired by the Managing Director of the Industrial Sectors and Environment Division has been entrusted with the coordination of the UNIDO preparatory work for the Fourth World Conference on Women, to be held at Beijing, China, in September 1995. In addition to analytical inputs - such as five regional typology studies on the participation of women in manufacturing - UNIDO will focus on substantive and promotional activities to highlight the role of industrial development for reaching the strategic objectives as defined in the draft platform of action, which will be discussed further in the United Nations Commission on the Status of Women. Further information on the UNIDO contribution to the World Conference is provided in document IDB.13/12, chapter VII.B.

C. Post-emergency assistance

51. Recent international debate has evolved around the theme of a relief-development continuum and the requirement to effectively interrelate the agenda for peace and the agenda for development. For precisely this reason, UNIDO is conscious of the need to join hands with other agencies in supporting rehabilitation and reconstruction endeavours in post-emergency settings. An integrated UNIDO programme has been developed to offer immediate industrial reconstruction support to countries and areas suffering from the consequences of war or natural disasters. This programme, inter alia, addresses (a) restoring equipment in established industrial subsectors; (b) creating a local "industry for reconstruction", i.e. focusing on satisfying immediate and basic needs in areas such as food supply, health sector inputs, building materials and construction; and (c) alleviating the damage of war to the environment. The programme has been fully elaborated as a framework for UNIDO assistance to Bosnia and Herzegovina and was submitted to the First Donors Conference for the Action Plan for the Restoration of Essential Services at Sarajevo, convened by the Special Coordinator for Sarajevo of the Secretary-General in Vienna in September 1994.

III. PERSONNEL POLICY

52. Human resources constitute the most important asset in any organization. It is also one of the areas that require the most attention in a reform process, such as the one ongoing in UNIDO. After the twelfth session of the Industrial Development Board, a systematic review of the Organization's personnel policy and instruments was initiated. This review is being carried out by concerned senior staff supported by specially assigned external expertise.

53. One main issue under critical review is the performance appraisal and accountability systems, for which proposals for reforms will be elaborated and tested during the first quarter of 1995. Parallel to these endeavours UNIDO is fully involved in the work of a United Nations system-wide debate on this issue.

54. In order to provide for greater incentives and to be able to give more prominent recognition of outstanding performance by the staff, a merit award system is under consideration. This will be applied to performance of teams and individual staff members on the basis of quality, innovation, cost effectiveness and other achievements. Likewise, the promotion policy and practices are being reviewed in consultation with the staff so as to identify ways and means for improvement.

A. Recruitment and promotion

55. In recent months, recruitment efforts have been intensified primarily with a view to systematically filling the vacant managerial posts. With most of the managerial posts now effectively occupied through both external recruitment and appointment of serving staff, further recruitment is now progressing into lower-level posts to ensure the critical mass of professional expertise required in key programmes of the Organization.

56. This is pursued in keeping with the required 7 per cent vacancy rate for Professional-level staff (Programme and Budget Committee conclusion 93/4 (e)(ii)). Efforts to identify and recruit candidates from unrepresented or underrepresented countries have continued to be made without prejudice to the need for securing the highest standards of efficiency, competence and integrity of the staff employed.

57. The eight Managing Director positions have all been filled on the basis of a recruitment policy directed towards high competence and progressing towards an equitable and fair geographical balance. For the first time, two of those positions are occupied by women. Upon completion of the review and fine-tuning of the new organizational structure, eight Head of Branch/Service or Chief of Section positions remained vacant. Officers-in-charge acted as interim supervisors. Five of these positions have been filled as of 1 September 1994 through external recruitment of highly qualified candidates (Legal Service, Studies and Research Branch, Human Resource Development Branch, Public Information Section, and Environment and Energy Branch). For the remaining posts, selection has been made and appointments are due in the very near future. In all cases, particular emphasis was placed on representation of developing countries and on attaining an improved geographical balance in general.

58. In the near future, emerging vacancies resulting primarily from natural attrition will necessitate continuing recruitment and promotional efforts for posts at all levels, including Managing Director positions. In this process, the issue of geographical and gender distribution will be treated as one essential dimension in a dynamic perspective. Full attention is thus to be given to attaining the highest standards of professional competence and efficiency on an equitable geographical basis.

B. Staff training

59. Following the restructuring of the Organization in line with its new priorities and the ensuing relocation of staff, the importance of a reassessment of training needs and trends became evident. An initial survey clearly pointed to the need during the 1994-1995 biennium for technical retraining and management and language-related skills upgrading.

60. Technical skills training in 1994 included seminars and workshops in computer-related skills (65 courses for a total of 515 staff members), quality assurance (8 courses, 56 staff members), environmental issues (13 seminars/workshops, 195 staff members) and gender issues in industry (2 courses, 30 staff members). The 1995 course offering will include these subjects and others such as feasibility studies, statistical analysis, total quality management, economic country analysis and mainframe applications, and other topics as required. A curriculum will be developed for UNIDO Country Directors.

61. By the end of 1994 seminars and workshops under the management development programme will have been conducted for Professional-level staff and supervisors in leadership styles and effective management (7), team-building (7), client-driven marketing (2), time management (6) and presentation skills (4) involving some 430 staff members. In 1995 some 200 senior and Professional-level staff members will participate in workshops on the above topics as well as negotiation skills, managing meetings, analytic problem-solving and decision-making.

62. Support staff attended the above-mentioned time-management and team-building workshops as well as three communication skills workshops under the managerial assistance programme. In 1995 approximately 150 managerial assistants will participate in these workshops and new courses on office organization and efficiency.

63. New modules for all staff will include performance appraisal, preventing sexual harassment, and stress management. Seminars have been and will continue to be conducted on the main programmes of UNIDO, technological items and special cross-sectoral themes of interest to the Organization. By the end of September, 10 such seminars had been held, under the chairmanship of the Director-General or the Officer-in-Charge.

64. During 1994, some 30 staff members attended courses under the external training programme in fields such as waste and buildings management, environment, training design and methodology, project and programme evaluation, new applications of natural fluids, management in government, achieving sustainable turnaround (management), development banking, law, procurement and information technology. For 1995 some 30 individual programmes with an average duration of seven days could be supported.

65. As in the past, instruction was provided to staff in the official languages. In addition, workshops have been and will be conducted in specific work-related areas such as writing concise letters and memoranda, drafting of administrative texts, the language of meetings, conducting telephone communication, maintenance of language skills, the use of computer-based grammar checkers and other courses depending on the demand. A total of 85 regular courses and 17 workshops will have been held in 1994 and approximately the same number will be conducted in 1995.

IV. ACTION REQUIRED OF THE BOARD

66. The Board may wish to take note of the steps taken since its twelfth session on the implementation of General Conference resolutions GC.5/Res.18 and GC.5/Res.20.